

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 56th LEGISLATURE - REGULAR SESSION

JOINT SELECT COMMITTEE ON JOBS AND INCOME

Call to Order: By **CHAIRMAN BOB DEPRATU**, on January 15, 1999 at 4:00 P.M., in Room 325 Capitol.

ROLL CALL

Members Present:

Sen. Bob DePratu, Chairman (R)
Rep. Karl Ohs, Vice Chairman (R)
Sen. Lorents Grosfield (R)
Rep. Douglas Mood (R)
Rep. Bruce Simon (R)
Rep. Emily Swanson (D)
Sen. Mike Taylor (R)
Sen. Jon Tester (D)
Rep. Carley Tuss (D)
Sen. Mignon Waterman (D)

Members Excused: None.

Members Absent: None.

Staff Present: Gordon Higgins, Legislative Branch
Deb Thompson, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are abbreviated, paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: HB 252, HB 260, HJ 9,
1/11/1999
Executive Action: SB 170, SB 169, SB 168, SB
200, HJ 6

HEARING ON HB 252

Opening Statement by Sponsor: REP. DOUG MOOD

He gave an overview of where the money goes and broke it down by department.

{Tape : 1; Side : A; Approx. Time Counter : 0.1 - 7.1}

Proponents' Testimony:

DR. PETER BLOUKE, Dir. of Dept. of Commerce

Stated that the above breakdown given by Rep. Mood, was very important and really urged the committee to pass this bill.

{Tape : 1; Side : A; Approx. Time Counter : 7.1 - 10.1}

ROBERT PECK, Dir. of Dept. of Agriculture

Wanted to thank the committee for incorporating this into the 2005 initiative because this had to happen in order to arrive at this initiative we've spent so much time on.

{Tape : 1; Side : A; Approx. Time Counter : 10.1 - 10.6}

ANDY GARDENER, Mt. People's Action/MSLA

He stated that he wanted to applaud the action taken by the committee in increasing the living wage for Montana and wants to continue campaigning for a living wage in our failing economy. He referenced the concept that attracting key jobs into Montana is the way we must go. Also made reference to continuing to crack down on child-support payments by delinquent parents.

{Tape : 1; Side : A; Approx. Time Counter : 10.6 - 13.6}

MARK MACKI, Supervisor of the Apprenticeship and Training Program, Job Service Division. EXHIBIT(joh11a01)

He stated that he rises in support of the Governor's Jobs and Income program, and supports the legislation on this. See written testimony.

{Tape : 1; Side : A; Approx. Time Counter : 13.6 - 17.9}

JIM HAGER, Sleeping Giant Brewery

The corporation states that they want to be able to compete in the northwest market. These kinds of programs will enable us to have the resources to compete.

{Tape : 1; Side : A; Approx. Time Counter : 17.9 - 19}

NITA ANDERSON, MSLA/Montana People's Action Group

She stated that this group does support the incentives you're giving to the people of Montana. So many of the jobs that are available are in the service sector and do not provide a living wage.

{Tape : 1; Side : A; Approx. Time Counter : 19 - 20.6}

**RALPH KLOSER, State Director of Montana Small Business
Development Centers** **EXHIBIT(joh11a02)** **EXHIBIT(joh11a03)**

See written testimony.

{Tape : 1; Side : A; Approx. Time Counter : 20.6 - 25.7}

**TONI BROADBENT, Vice President of the Montana Development Council
SBDC** needs the \$125,000 in this bill to match federal funds in
order to further develop small businesses around the state.

{Tape : 1; Side : A; Approx. Time Counter : 25.7 - 27.2}

JOHN BARREN, Owner of Gold Bar Restaurant in Helena.

Stated that 24 years ago he needed the cash to start this
business. SBDC did provide money and support for his business;
but they also provided business expertise, and bookkeeping
skills. This bill strengthens small businesses around Montana. He
is in support of this bill.

{Tape : 1; Side : A; Approx. Time Counter : 27.2 - 29.5}

KEN MAKI, President of the Montana Farmer's Union.

He stated that the farm industry is on the decline, and farmers
are going to need to be looking for new jobs. The Farmer's Union
stands in full support of this bill.

{Tape : 1; Side : A; Approx. Time Counter : 30 - 30.3}

BOB TAYLOR, Mt. Manufacturing Extension Center

EXHIBIT(joh11a04) **EXHIBIT(joh11a05)**

{Tape : 1; Side : A; Approx. Time Counter : 30.3 - 34.5}

THAD WILLIS, Mt. Farm Bureau

{Tape : 1; Side : A; Approx. Time Counter : 34.5 - 34.8}

DON SWAN, Mt. Development Council, Mt. Stockgrower's Assoc.

{Tape : 1; Side : A; Approx. Time Counter : 34.8 - 35.6}

BOB GILBERT, Wool Growers and Montana Dairy Assoc.

{Tape : 1; Side : A; Approx. Time Counter : 35.7 - 36.4}

ROBYN HAMPTON, Mt. Micro Business Project **EXHIBIT(joh11a06)**

EXHIBIT(joh11a07)

{Tape : 1; Side : A; Approx. Time Counter : 36.4 - 39}

KAREN PEAKE SEILER, Montana World Trade Center

{Tape : 1; Side : A; Approx. Time Counter : 39 - 41.7}

EVAN BARRETT, Mont. Dev. Assoc.

{Tape : 1; Side : A; Approx. Time Counter : 41.7 - 43}

MERLIN BOXWELL, MGGA

{Tape : 1; Side : A; Approx. Time Counter : 43 - 44}

RANDY JOHNSON, MGGA

{Tape : 1; Side : A; Approx. Time Counter : 44 - 48.9}

MIKE MURPHY, Mt. Res. Assoc.

{Tape : 1; Side : A; Approx. Time Counter : 48.9 - 49}

RICHARD KROTT, Rocky Mt. Trade Corridor

{Tape : 1; Side : A; Approx. Time Counter : 49.2 - 51.2}

Questions from Committee Members and Responses:

{Tape : 1; Side : A; Approx. Time Counter : 53.3 - 58.6}

Closing by Sponsor: REP. DOUG MOOD

{Tape : 1; Side : A; Approx. Time Counter : 58.6 - 60.1}

HEARING ON HB 260

Opening Statement by Sponsor: REP. DOUG MOOD

{Tape : 1; Side : B; Approx. Time Counter : 0.1 - 2.7}

Proponents' Testimony:

DR. PETER BLOUKE, Director Dept. of Commerce

{Tape : 1; Side : B; Approx. Time Counter : 2.7 - 4}

RALPH PECK, Mt. Dept. of Agriculture

{Tape : 1; Side : B; Approx. Time Counter : 4 - 4.9}

DICK CROFTS, Dept of Higher Education

{Tape : 1; Side : B; Approx. Time Counter : 5.1 - 16.7}

TOM STUMP, Montana State University

{Tape : 1; Side : B; Approx. Time Counter : 16.9 - 19.9}

DON MATHRE, Montana State University

{Tape : 1; Side : B; Approx. Time Counter : 19.9 - 22.3}

LLOYD CHESTNUT, University of Montana

{Tape : 1; Side : B; Approx. Time Counter : 22.3 - 24.7}

THAD WILLIS, Montana Farm Bureau

{Tape : 1; Side : B; Approx. Time Counter : 24.7 - 25.4}

EVAN BARRETT, Mont. Economic Dev.

{Tape : 1; Side : B; Approx. Time Counter : 25.4 - 31.6}

KEN MAKI, Mt. Farm Union

{Tape : 1; Side : B; Approx. Time Counter : 31.6 - 32}

SPEAKER JON MERCER

{Tape : 1; Side : B; Approx. Time Counter : 32.3 - 35.2}

Questions from Committee Members and Responses:

{Tape : 1; Side : B; Approx. Time Counter : 35.9 - 48.2}

Closing by Sponsor: REP. DOUG MOOD

{Tape : 1; Side : B; Approx. Time Counter : 49 - 51.8}

HEARING ON HJR 9

Opening Statement by Sponsor: REP. CARLEY TUSS

{Tape : 1; Side : B; Approx. Time Counter : 52.4 - 55}

Proponents' Testimony:

DR. PETER BLOUKE, Dir. of Dept. of Commerce

{Tape : 1; Side : B; Approx. Time Counter : 55.1 - 57.5}

RALPH PECK, Dir. Dept. of Agriculture

{Tape : 1; Side : B; Approx. Time Counter : 57.5 - 58.1}

RANDY JOHNSON, MGGA

{Tape : 1; Side : B; Approx. Time Counter : 58.1 - 58.9}

Closing by Sponsor: REP. CARLEY TUSS*{Tape : 1; Side : B; Approx. Time Counter : 58.9 - 60.4}*

EXECUTIVE ACTION ON SB 170

Rep. Swanson **MOVED DO CONCUR** SB 170. Gordon Higgins explained the amendments. *{Tape : 2; Side : A; Approx. Time Counter : 1.3}*

Sen. Grosfield **MOVED** the amendments. The question was called. The motion **PASSED** unanimously. He **MOVED** the bill as amended. The question was called on the bill. The motion **PASSED** unanimously.

EXECUTIVE ACTION ON HOUSE JOINT RESOLUTION 6

Rep. Mood **MOVED DO PASS** HJ 6. Sen. Grosfield said it would be a good time to reinforce marketing that was described by Carroll South. The question was called. The motion **PASSED** unanimously.

EXECUTIVE ACTION ON SENATE BILL 168

Rep. Ohs **MOVED DO CONCUR** SB 168. Gordon Higgins explained the amendments. Sen. Grosfield **MOVED** the amendments. **EXHIBIT(joh11a07)** The question was called. The motion **PASSED** unanimously. **{Tape : 2; Side : A; Approx. Time Counter : 10.4}**

Sen. Grosfield **MOVED THE BILL AS AMENDED**. The question was called. The motion **PASSED** 9-1 with Rep. Simon voting no.

EXECUTIVE ACTION ON SENATE BILL 169

Sen. Taylor **MOVED DO CONCUR** SB 169. He presented amendments. Sen. Waterman discussed the expanded tax credit. **{Tape : 2; Side : A; Approx. Time Counter : 10.4 - 14.3}**

Sen. Waterman **MOVED** #1, 5, 9, AND 10. The question was called. The motion **PASSED** unanimously. **{Tape : 2; Side : A; Approx. Time Counter : 14.3 - 17.1}**

Rep. Ohs **MOVED** the bill as amended. The question was called. The motion **PASSED** unanimously. **{Tape : 2; Side : A; Approx. Time Counter : 17.1 - 17.6}**

EXECUTIVE ACTION ON SENATE BILL 200

Sen. Taylor **MOVED DO CONCUR** SB 200. He **MOVED** the amendments to the bill. **EXHIBIT(joh11a08)** Jeff Martin explained the amendments. **{Tape : 2; Side : A; Approx. Time Counter : 17.6 - 23.1}**

Sen. Waterman asked about how many years the credit would be given. Martin explained the credits. **{Tape : 2; Side : A; Approx. Time Counter : 23.1 - 25}**

The Committee discussed the market value of equipment and the livestock tax. **{Tape : 2; Side : A; Approx. Time Counter : 24 - 55.2}**

Sen. Taylor **MOVED** the amendment. The question was called. The motion **PASSED** 7-3.

Sen. Waterman **MOVED** her amendments. **EXHIBIT(joh11a09)** Gordon Higgins explained the amendment. **{Tape : 2; Side : A; Approx. Time Counter : 59.7 - 61}**

Sen. Grosfield pointed out a two year deal would not be enough to stimulate the economy. There was a need to set this in statute, establish policy for the state and dramatically reduce this tax and the negative effect on business, growth, expansion and retention. **{Tape : 2; Side : B; Approx. Time Counter : 1 - 2.4}**

Rep. Mood spoke against the amendments for the same reasons. The question was called. The motion **FAILED** 6-4 on a roll call vote.

Sen. Taylor **MOVED SB 200 AS AMENDED**. He described the bill as hope for Montanans. He pointed out predictable stability would give this a chance to work. We need a long term commitment. **{Tape : 2; Side : B; Approx. Time Counter : 2.4 - 9.4}**

Sen. Waterman pointed out the need for a comprehensive package and the stability of a tax base. This bill could not be paid for out of the general fund alone. The general fund won't grow fast enough to cover this. **{Tape : 2; Side : B; Approx. Time Counter : 9.4 - 14}**

The question was called on the bill as amended. The motion **PASSED** 8-2 on a roll call vote. **{Tape : 2; Side : B; Approx. Time Counter : 14 - 25.3}**

ADJOURNMENT

Adjournment: 7:27 P.M.

SEN. BOB DEPRATU, Chairman

DEB THOMPSON, Secretary

BD/DT

EXHIBIT (joh11aad)